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1955/03/19

done, K — [illegible]

19 March 1955

Dear Colonel Lansdale,

I was called to go to the palace at four o'clock. When I got there, the President told me that he had called me because he did not want to disturb you since he knows how busy you are. At the end of the meeting, he asked whether I would be staying in Saigon. I told him that I would be at the Cape tomorrow, but that aside from that I would be here constantly.

The main subject of the meeting was once again the request for funds--still the same amount (15,000,000$) but this time he is not asking for a loan but money for his confidential funds. He needs this to lend to the Cao Dai, who otherwise may not be able to keep their troops. It may not be necessary to use all the money, but he wants it to use as a "maneuvering force." He cannot go to the treasury to get the money because if he does he will have to give the same amount to Soai as to Phuong, and Soai will use the money to defect troops (he has had a report that the GVN troops have been contacted by Soai, who is attempting to buy them). Phuong is very nervous, and the president is afraid that if he isn't given money (it is a question of "face" as much as anything) he may be dragged into something. Incidentally, he needs a small sum, perhaps 500,000$ for Ngo.

The Binh-Xuyen are putting pressure on the other sects. Tac, The, Phuong, Ngo, and Soai were invited to a meeting today. The Binh-Xuyen are counting on the discontent of these people.

The President saw Soai yesterday and said to him in essence: "You are a rebel, since you are an ally of Ba Cut."

Trinh Minh The told the President that an American journalist is going to the west (and perhaps to Camau--the President could not be specific). Soai is going to put banners up along the road saying "Down with the Government," and perhaps have a little gunfire. Trinh Minh The doesn't know which journalist it is. (Note: Contents of this paragraph passed to Mr. Stansbury.) Also that Soai has already gone or is going down in armored car.

The President blames all these troubles eventually on the French, who want it said that the French Expeditionary Corps must be kept here. If this happens, says the President, it is colonialism all over again.

J. Redick

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